Hunt, Clyde

Dec 1919 - Jan. 1920 (051)

December 12th, 1918

Dr. Clyde Furst,
576 Fifth Avenue,
New York.

Dear Dr. Furst:

I am sending you a letter which I have just received from Dr. Defries. This will clear up all difficulties with regard to his position and he should go on the list of those who were on the staff prior to November 1915.

Yours sincerely,

President.

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January 12th, 1920

Dr. Clyde Furst,
Secretary, Carnegie Foundation,
576 Fifth Avenue,
New York.

Dear Dr. Furst:

Many thanks for your paper on "The Study of Character". It was very good of you to send it to me and I hope to read it very shortly.

Yours sincerely,

President.

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CARNEGIE'S GOSPEL OF WEALTH

Philanthropist Lived Up to His Belief That Riches Were a Sacred Trust Which Came From the Community and Should Return to the Source Whence They Came

By CLYDE FURST

Secretary of the Carnegie Foundation

IT was the unique experience of Mr. Carnegie to live two of the most extraordinary lives in history. After progressing from obscurity to the domination of his country's greatest industry, contributing as few have done to the prosperity of the nation, and accumulating one of the world's notable fortunes, an even more exceptional career of benevolent distribution made him probably the most widely known of living men, "easily first among the world's philanthropists."

In 1889, at the age of fifty-four, he published an essay which, at the suggestion of Mr. Gladstone, was given wide circulation under the title of "The Gospel of Wealth." On the text that riches are "only a sacred trust to be administered for the general good," he argued briefly that wealth comes from and should return to the community. It arises only partly from labor; discovery, invention, individual ability and enterprise; it is due primarily to the increasing demands of an increasing population. Meanwhile the distribution of wealth lags behind improvement in the hours of labor, wages and the general condition of wage earners. The community, therefore, should enforce progressive taxation, concluding with practically confiscatory death duties, thus both claiming its own and persuading the rich to employ directly in distribution the activity from which the community has already profited indirectly through their accumulation.

"This, then, is the duty of the man of wealth: To set an example of modest, unostentatious living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and, after doing so, to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer, and strictly bound as a matter of duty to administer in the manner which, in his judgment, is best calculated to produce the most beneficial results for the community."

These ideas were by no means new, but they had never before been enunciated so definitely by so rich a man, and no one ever carried them out with equal consistency. During thirty years Mr. Carnegie, with the cooperation of his wife and daughter, gave away the unparalleled total of a third of a billion dollars, the great bulk of his fortune. His persuasive public address, prolific writing, and convincing example had much to do with the belief concerning the social responsibility of wealth that is current to-day.

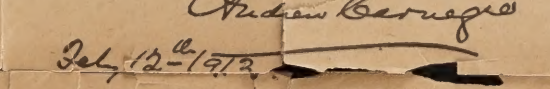
Mr. Carnegie, moreover, gave himself in an unequalled way to comprehensive study and bold experiment in the difficult art of giving—"it requires the exercise of no less ability than that which acquires it, to use wealth so as to be really beneficial to the community." The early transformation of his native town in Scotland, Dunfermline, and prompt generosity to Pittsburgh, his adopted home, were followed by countless personal benefactions that won world-wide recognition. Soon, however, his attention concentrated almost professionally upon a limited number of dominant interests—good reading, music, science, heroism, education and peace. From these resulted the erection of 3,000 public library buildings throughout the English-speaking world, and, in addition to many other gifts for music, the provision of 8,000 church organs; the endowment of hero funds for North America and ten European countries; great gifts to universities and colleges; the establishment of the Institution for the Advancement of Science, the Foundation for the Advancement of Teaching; the Endowment for International Peace, the Church Peace Union, the Central American Court of Justice, the Pan American Union, and the Peace Palace at The Hague—the seat of the permanent court of arbitration which has already settled numerous international difficulties.

Accepting the principle that the comprehensive relief of distress is a function of the state, Mr. Carnegie directed his own endeavor toward constructive betterment and progress—"what the improver of the race must endeavor is to reach those who have the divine spark ever so feebly developed, that it may be strengthened and grow. . . . You cannot push any one up a ladder unless he is willing to climb a little himself. . . . As a general rule, it is best to help those who help themselves."

The increase and diffusion of knowledge and understanding through libraries, "the cradles of democracy," with which his name was first widely associated, was due to his boyhood impression of the value of good books and the difficulty of obtaining them, combined with later observation that individual effort is not relaxed but stimulated by books, and that the gift of a library to a community which provides ground and maintenance elicits that coöperation on the part of the recipient which is essential if benevolence is to help rather than hurt.

"It is from personal experience that I feel that there is no human arrangement so powerful for good, there is no benefit that can be bestowed upon a community so great, as that which places within the reach of all the treasures of the world which are stored up in books. . . . Whatever agencies for good may arise or fall in the future, it seems certain that the free library is destined to stand and become a never-ceasing foundation of good to all." For similar reasons organs were given without distinction of creed to churches that shared their cost. "The man who reveals new beauties in music enriches human life in one of its highest phases. . . . The Bible tells us that in heaven music is the principal source of happiness—the sermon seems nowhere."

Two-thirds of Mr. Carnegie's recorded benefactions took the form of permanent institutions. The earliest, the Carnegie Institute of Pittsburgh, founded in 1896, comprises a free public library, a music hall, museums of fine art and natural history, and an institute of technology—"upon no foundation but that of popular education can man erect the structure of an enduring civilization." The library, with a score of branches, counts its attendance and circulation in millions. The music hall provides a great auditorium, like the Carnegie Music Hall in New York, organ and orchestral concerts and public functions. The permanent collections of the museum of fine arts are excellent; its annual international exhibit of contemporary painting has been of influence not only in America, but also in Europe. The museum of natural history has developed popular interest and contributed conspicuously to the world's knowledge of prehistoric animals. The institute of technology provides training for engineers, architects and household economists, as well as day and night instruction for thousands of men and women in the trades. These institutions have drawn to their vicinity a score of others, all together constituting a community centre that is unique among our cities.



Andrew Carnegie's motto in his own handwriting

The Carnegie Institution of Washington, established in 1902 "to encourage investigation, research and discovery," represents Mr. Carnegie's belief in scientific inquiry, experiment and verification in the search for truth and its application to human welfare. The institution has eleven departments, the best known being those of botany, with a desert laboratory in Arizona; experimental evolution at Cold Spring Harbor, L. I.; the nutrition laboratory at Boston; the astronomical observatories at Mount Wilson, Cal.; the geophysical laboratory at Washington, which made possible the production of optical glass in the United States during the war; and the department of terrestrial magnetism, which has corrected the maritime charts of the world through the observations of its non-magnetic yachts. The results of the work of these departments and of numerous minor grants have been published in several hundred volumes that are considered indispensable by scholars.

The Carnegie Hero Fund Commission, established for the United States and Canada in 1904, embodies the idea that generous recognition of heroism may bring about an increase of chivalrous conduct and self-sacrifice in every-day life. The commission has awarded gold, silver and bronze medals to fifteen hundred men and women who have saved others from drowning, fire, asphyxiation, railway, mine, industrial and other accidents; has cared for them during disability, aided them to acquire higher education, engage in business, purchase a home, liquidate indebtedness, or carry out some other worthy purpose; and has provided for the widows or dependents of those who lost their lives in heroic action.

The Carnegie Foundation for the Advancement of Teaching was organized in 1905 with two functions, educational inquiry and the payment of retiring allowances to college professors and pensions to their widows. A few years' of experience proved the unsoundness of practically all pension systems that had been established in the prevailing manner. Succeeding study resulted in the establishment by the Foundation, after generous provision for those who had expectations from its original plan, of a superior system which is being adopted by an increasing number of other organizations, the Foundation having become a centre for information concerning this developing form of social service. The results of its educational inquiries concerning the preparation and status of teachers, college organization and administration, and medical, legal, engineering, and vocational education, have been distributed widely in a series of monographs which have been welcomed as a national service.

After his directorship of military railroads and telegraphs during the war between the States, Mr. Carnegie ceaselessly endeavored to discover, behind self-interest and suspicion elements of common confidence and fellowship that might be developed into methods of settling international difficulties other than by war. For this purpose he founded, in 1910, the Carnegie Endowment for International Peace. Its division of history and economics has published studies of the causes of war and of its effects on population, health and social welfare. Its division of international law has encouraged organizations and studies looking toward judicial settlements, and published and aided the publication of diplomatic documents, treaties, agreements and the classics of international law and arbitration. Its division of education and intercourse is devoted to the spread of sound knowledge of international facts and policies and the encouragement of friendly relations through publications, organizations, courses of instruction, correspondence and international visits. During the war with Germany the president of the endowment was Ambassador Extraordinary to Russia, the secretary was chairman of the drafting committee at the Peace Conference, and the entire division of international law was incorporated in the national service of the Department of State.

The latest of Mr. Carnegie's establishments, the Carnegie Corporation of New York, with the largest endowment ever recorded, was inaugurated in 1912, like the United Kingdom Trust for Great Britain, for the study and promotion of philanthropy itself. While chiefly continuing the founder's activity in providing libraries, giving to colleges, adding to the support of his earlier establishments, and making large gifts for war work—including libraries for the cantonments—it has carried out studies of the public usefulness of libraries, library schools, social centres and legal aid societies, and is concluding a comprehensive study of methods of Americanization.

The resources of this group of institutions, while small when compared with those of any well-known insurance company or bank, are unparalleled in philanthropy, and potential for incalculable good. (Hero Fund, five; Peace Endowment, ten; Institution, twenty-two; Institute, twenty-six; Foundation, twenty-nine; Corporation, one hundred and twenty-five millions.) They have been entrusted to the care of more than a hundred well-known men, chosen with Mr. Carnegie's characteristic discrimination.

The trustees of the Institute and of the Hero Fund are largely former business associates or other friends of the founder. Those of the Foundation are the presidents of leading universities and colleges—President Wilson was a member of its executive committee until he withdrew from academic life. Those of the Institution are philanthropists, men of affairs, scientists like the director of the National Museum, and statesmen like President Taft. The direction of the Peace Endowment is similarly constituted, Senator Root having been its president from the beginning, the president of Columbia University the director of its division of education. The presidents of the earlier establishments make up five of the nine trustees of the Carnegie Corporation; Mr. Roosevelt was a member of its committee on Americanization until his death.

These organizations are all in early youth; only one has attained its majority. With the optimism embodied in his favorite quotation, "All is well since all grows better," Mr. Carnegie anticipated their future by conferring upon their trustees and their successors power to modify their work from time to time, authorizing them to "apply the revenue in a different manner and for a different though similar purpose to that specified, should coming days bring such changes as to render this necessary," and reserving to Congress the right to "alter, repeal, or modify" their acts of incorporation. Finally, that they might never be without "the healthy breeze of public criticism," he encouraged the regular publication of full accounts of all of their resources and activities.

Mr. Carnegie himself deserved the encomium that he gave to another: "Such an example as he left is one of the most precious legacies that can be bequeathed to posterity, a career spent, not in pursuit of miserable aims, which end in self, but in high service for others." His memory is secure from time and change. The usefulness of the organizations that he created and set in motion can be estimated only by coming generations. Representing as they do his vitality and his vision; his sense of responsibility and his resourcefulness; his genius for organization, direction and success, they promise to be of enduring value, not unworthy perpetuators of his personality and purpose, of what Lord Morley called his "instinct for the great things of life," of the title conferred upon him in 1911 by the twenty-one American Republics—"Benefactor of Humanity."

Volcanic Steam as Power

THE utilization of volcanic power is a new industrial exploitation in Italy. The first experiments were made some years before the war by Prince Ginori-Conti in Tuscany, at Larderello, near the salt mines of Volterra, a region extensively covered with volcanic formations, the most wonderful being the so-called "soffioni," which are certain volcanic vents emitting powerful jets of hot steam containing boric salts and various gases used in the extraction of boracic acid.

In 1905 Prince Ginori-Conti applied this natural steam to a forty-horsepower engine, using only a small section of the Nenolla fissure, which is the most powerful "soffione," the steam ejected having a pressure of five atmospheres. The results obtained during several years of experimentation were satisfactory, so that he continued to make larger and deeper borings, measuring the force of the steam ejected. Combined this force could operate engines of many thousand horsepower. In 1912 an experiment was made, wisely on a moderate scale but sufficient in scope to obtain conclusive results, for which a 300-horsepower turbine-alternator was used.

Later, because of the enormous increase in the price of coal, the prince decided to exploit the thermic energy of these "soffioni" on a much larger scale, but as other substances are emitted with the steam, among them sulphuric acid, which corrodes metals, particularly iron, and therefore the pipes in which the steam was to be collected, he attempted to use this steam only for heating. Three turbine-alternators of 5,000 kilowatts each were installed, fed by boilers at low pressure not heated by coal or other combustible fuel, but by the natural steam, superheated to 165 degrees C., issuing from the "soffioni" and piped and carried to the boilers.

To-day the works at Larderello have a central plant of 16,000 horsepower operating without interruption and distributing current to Florence, Liverno and Grosseto, and its capacity is soon to be increased by the engineers in charge.

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LAURIER'S SUCCESSOR

Mackenzie King, the New Leader of the Liberal Party in Canada, Is Considered One of the Leading Authorities in North America on Industrial Problems

By J. A. STEVENSON

THE Liberal party of Canada held on August 5 6 and 7, its first national convention since 1893, and on the last day elected as its permanent leader the Hon. William Lyon Mackenzie King. It was an innovation for a political party in the British Commonwealth to choose a leader by the vote of delegates from the constituencies; heretofore, the choice has usually been made by the Parliamentary representatives only, but the more democratic method, borrowed from Presidential nominations, is preferable.

Mackenzine King brings many high qualifications to his new responsibilities, and he may almost be said to possess a hereditary claim to the Liberal leadership. In 1837 a Scotch radical journalist, William Lyon Mackenzie, raised the standard of rebellion in Upper Canada against the selfish tyrannies and monopolies of the oligarchic cliques known as the Family Compact, who with the connivance and support of reactionary Tory governors from England, then controlled to their own profit the destinies of the young colony. The rebellion, like the concurrent rising of Papineau in Quebec, was crushed by the authorities, but it served its purpose. Lord Durham was dispatched on a special commission of investigation and made his famous report. Responsible government was immediately granted and the machinery of a democratic constitution set up.

Mackenzie, after the failure of his rebellion, had to live in exile in the United States for about a dozen years but returned to Canada to spend his declining days. One of his daughters married John King, a barrister of Berlin (now Kitchener), Ontario, and the new Liberal leader is their son. He is, therefore, of Scotch blood on both sides of his family, and is a grandson of the founder of Canadian Liberalism.

Born in 1874, he received his early education at the public and high schools of Berlin, from which he passed to Toronto University, where, after a distinguished academic career, he was graduated in 1896. He supplemented this by courses at Chicago and Harvard Universities, after he had spent a year on the editorial staff of the Toronto *Globe*. He received the degree of M.A. from Chicago in 1898 and a Ph.D. from Harvard in 1899, being for some time fellow and instructor in political economy at the latter university. The Laurier Government then appointed him a special commissioner to investigate charges of sweating in public contracts and report upon other industrial problems, and so well did he perform the work that when a special sub-department was created under the Postmaster-General to deal with labor problems, Mr. King was made Deputy Minister at the age of twenty-six. During his university courses he had specialized in political economy and sociology and had already travelled extensively to examine social and labor conditions elsewhere. He soon won recognition for the value of the new department to the country and was responsible for many important measures. Among others he drafted the Canadian Industrial Disputes act, which has frequently served as a model for legislation elsewhere.

But the Civil Service obviously had distinct limitations for a man of his ability, and in 1908 he resigned to contest as a Liberal his native constituency of North Waterloo. So rapidly had the scope and utility of the Labor Department grown in eight years that the Cabinet had decided to give it a special portfolio, for which Mr. King, if he had a seat in Parliament, was the inevitable choice.

During the campaign Sir Wilfrid Laurier, with whom Mr. King was always a special protégé, went to Berlin and publicly pledged himself to take the youthful candidate into his Cabinet if he were elected. He had a narrow majority over his opponent but before joining the Ministry in 1909 was asked to serve as Canadian representative on the Opium Commission, which took him to the Orient for a considerable period. On entering office he busied himself mainly with improving and extending the work of his department. In the House he made some good speeches on industrial problems but his somewhat rigid intellectualism was slow to adapt itself to the rough and tumble of Canadian politics. Both his own side and his opponents thought that he lectured the House too much and showed the earmarks of the doctrinaire rather than the practical statesman. However, his faults were those of youth and inexperience and it was generally recognized that he was a man of marked ability and a credit to his party and Parliament.

But he had scarcely found his feet in the world of politics when the reciprocity contest suddenly loomed up. At the election of 1911 he went down to defeat in the general Liberal débâcle; his constituency contained several industrial centres and the manufacturers made a dead set at him.

Photo by Pittaways, Ottawa.

Mackenzie King, the New Leader of the Liberals of Canada.

No immediate chance of another seat in Parliament presented itself to him, and in 1913 he accepted the invitation of the Rockefeller Foundation to join its staff and undertake the investigating of existing industrial relations in all countries of the world. This exacting work occupied his time and energies for more than three years and his report is a mine of information upon the subject. The conclusions which he reached are embodied in "Industry and Humanity," whose recent publication attracted widespread attention.

Though travelling frequently to promote his investigations and only visiting Canada at intervals, he had kept in touch with her politics and in 1917 contested North York, his grandfather's old seat, as an anti-conscriptionist Liberal and supporter of Sir Wilfrid Laurier. The chief note of his campaign was a protest against the unconstitutional methods by which conscription had been rushed through a Parliament specially prolonged in its life on the understanding that no controversial questions were to be raised. He was defeated, but by a much smaller majority than most Liberal candidates in Ontario. Unfortunately, his opposition to conscription will be made use of in future to marshal the vote of the returned soldiers against him.

He was now, however, recognized as one of the leading authorities in North America on industrial problems and his services as a consulting expert in labor troubles and problems of industrial reorganization were in continual demand by firms and individuals all over the continent. Within the last year he delivered a series of addresses in Canada on industrial and labor questions, which brought his special abilities to the attention of his countrymen and created a feeling that there should be some place in the public life of Canada for Mr. King. He had considerable personal disinclination, it is said, to be a candidate for the Liberal leadership; he felt that his hostility to conscription and his connection with the Rockefeller family might militate against his success as a party leader. But it was known that Sir Wilfrid Laurier had looked upon him as his best possible successor, and the younger elements in the Liberal party, who declined to accept a conservatively minded veteran like W. S. Fielding as their chieftain, were insistent upon his nomination as he offered hopes of youthful energy and progressive initiative in leadership. It was the younger generation and the radical element in the Liberal party who carried his election on August 7, and it remains for him to justify their choice.

The new Liberal leader is in the happy and rare position of being able to reinforce youth and energy with long experience in the art of government. He has had no other career but the service of the state and larger public affairs and his years in the Canadian Civil Service, superimposed upon his thorough academic training, were a unique preliminary to his political career. For the last eight years he has been free from administrative cares and daily political strife and his mind has now become, as the result of his studies and investigations, a storehouse of information upon the more pressing economic and social problems of the day. He therefore brings to the renewal of his active political career a first-rate mental equipment, such as probably no other man in Canada, save the Premier, to-day possesses.

There are many practical and sometimes sordid aspects in Canadian politics, and perhaps Mr. King may approach them from a viewpoint which is too theoretical to suit an element of his followers. But the country has had an overdose of practical politics in the last decade and will probably welcome the advent of a leader who will bring the mind of a trained student of affairs and experienced sociologist to bear upon such problems as arise. To a Parliament which contains too narrow a percentage of highly educated men, Mr. King will be a welcome addition; he will not only be a much needed reinforcement to his party but can make very valuable contributions to the betterment of legislation, especially on industrial matters. He is an excellent public speaker and will be very effective with popular audiences; he can deliver a pungent attack on the floor of the House but he may be a little slow in the cut and thrust of debate.

In his temperament there is a strong leaven of Scotch caution, and he is never likely to be betrayed into rash courses. In his ideas he is strongly radical but he is well aware of the immense difficulty of translating the most brilliant theoretical schemes into workable legislation, and he was emphatic that nothing should be embodied in the Liberal programme which was not intended to be carried out. Firm in his convictions he is moderate in his methods, and the more radical elements of his party are certain to manifest at intervals impatience with his tactics.

Mr. King has always been a consistent opponent of schemes of Imperial Federation for the British Commonwealth and has favored the gradual development of Canadian autonomy. No man in public life in Canada has such a thorough knowledge of the United States and sympathetic understanding of her problems, and if he ever attains office he can be relied upon to do everything to promote friendly political and economic relations between the two countries.

In personal intercourse with his intellectual equals he is an agreeable companion and interesting talker, but he may lose votes as Charles E. Hughes did in the Presidential election of 1916 by conveying an impression, completely wrong in both cases, to the electors of an attitude of mental superiority and studied detachment from the views and problems of common mortals. If Mr. King can unbend to the local political leaders and chairmen of committees whom he will meet by the score in the next few years, he can soon rally to himself by reason of his ability an enormous and devoted following throughout the Dominion. He must stoop to conquer, so to speak.

He starts his leadership under very favorable auspices; the Liberal party has more or less achieved reunion after the disastrous fissure over conscription, while the Union Government has signally failed to live up to expectations and is daily gaining only in unpopularity. A progressive programme has just been adopted for Liberalism, and the national organization of the party has been remodelled. The day therefore may not be far distant when Mr. King will set the seal to his career by the Premiership of Canada.